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Chairman: Mr. Abelian ..... (Armenia)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Mselle

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The meeting was called to order at 10 a.m.

Agenda item 145: Review of the implementation of General Assembly resolution 48/218 B (*continued*)

1. **Mr. Herawan** (Indonesia), speaking on behalf of the Group of 77 and China, said that the functions and reporting procedures of the Office of Internal Oversight Services (OIOS) should be evaluated and reviewed, as mandated in paragraph 13 of resolution 48/218 B, in particular in order to ensure that the Office had carried out its role to the satisfaction of Member States. It had been established under the authority of the Secretary-General, as the chief administrative officer of the Organization, and enjoyed operational independence in accordance with paragraphs 4 and 5 of resolution 48/218 B. Accordingly, it was the responsibility of the Secretary-General to ensure that the reports of the Office did not contain any recommendations which transgressed the mandates approved by Member States. OIOS should make recommendations on matters of internal management, as a means of promoting effective programme management by identifying and reporting on and proposing remedies for problems of waste, fraud, abuse and mismanagement within the Organization. Programmes and activities approved by the Member States could be modified only by the competent intergovernmental bodies.

2. The Group of 77 and China had noted that the resources of OIOS had been gradually increasing despite the financial difficulties of the Organization. They felt that the Office should set an example for other departments by working within a reduced level of resources, while increasing its output and efficiency. It was also important to maintain geographical balance in the staffing of the Office in accordance with the provisions of Article 101 of the Charter.

3. The Group of 77 and China asked to be provided with information on the number of OIOS reports that had been submitted to the General Assembly since 1994 and the number of reports that had yet to be considered by the Assembly. They remained ready to engage in constructive dialogue in order to enable the Committee to carry out a comprehensive review and evaluation of the functions and reporting procedures of OIOS.

4. **Mr. Orr** (Canada), speaking also on behalf of the delegations of Australia and New Zealand, said that internal oversight had been an integral element of the United Nations since its founding and had been strengthened by the creation of OIOS in accordance with resolution 48/218 B. OIOS had now become an indispensable part of life at the United Nations; the way in which it addressed its tasks typified the "quiet revolution" of reform initiated by the Secretary-General. The time had come to look back on a record of solid achievements and to consider how to make the Office still more effective.

5. A strong internal oversight function in a bureaucracy was a necessary management tool and could assist management in carrying out its key responsibilities of ensuring that programmes and activities were well managed and were carried out in a cost-effective manner. Internal oversight should provide assurance to all programme managers that the management framework was sound and was operating as it should. In that way, internal oversight complemented the work of management by identifying areas where the cost-effectiveness of programme delivery and accountability could be further improved and strengthened. OIOS had been performing that important function responsibly since its inception in 1994 and should continue to play a role in the management of the United Nations.

6. One of the functions that might be more effectively carried out by another unit within the Secretariat was the preparation of the Secretary-General's biennial report on programme performance. The Office would be well placed to review the report and to provide its comments to the General Assembly. It could also provide useful input into the development of performance measures, an area in which the Organization lacked experience.

7. One of the most significant elements of resolution 48/218 B had been the requirement of an annual report in which the Office provided the General Assembly with information on problems within the Secretariat. That was a new feature, since earlier internal oversight documents had been transmitted only to the management of the departments concerned and were rarely made public. The Investigations Section had also been established under resolution 48/218 B and had fulfilled the function of gathering evidence on criminal or improper conduct by United Nations staff members or suppliers for the purpose of addressing cases of fraud or other illicit activity. The work of the Investigations Section had increased in volume and scope, and it would be timely to update the guidelines for the conduct of its investigations, in particular to ensure the protection of the basic rights of persons under investigation, including the presumption of innocence. An Investigations Section operating with updated guidelines would strengthen the role of OIOS and that, in turn, would foster an open and honest management culture.

8. The 1997 annual report of OIOS had noted that almost 5,000 recommendations had been made between October

1994 and June 1997. Given that large volume of work, the ability of OIOS to summarize so effectively the most important concerns of Member States was praiseworthy.

9. **Mr. Sulaiman** (Syrian Arab Republic) said that his delegation supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China.

10. The operational independence of the Office of Internal Oversight Services did not mean that the Office was not accountable to the Member States. The Office had not yet fulfilled its undertaking to inform his Government of the progress and outcome of the investigation of activities in the United Nations Disengagement Observer Force (UNDOF) (A/51/432, paras. 40–43). In spite of the fact that resolution 48/218 B specified, in the section entitled "Investigation", that one of the functions of the Office was to transmit the results of its investigations to the Secretary-General, together with recommendations to guide the Secretary-General in deciding on jurisdictional or disciplinary action to be taken, his delegation still did not know the outcome of the recommendations made concerning UNDOF.

11. The debate that had taken place during the fifty-second session of the General Assembly as to whether the recommendations of the Office were to be submitted to the General Assembly for information, as stated in document A/C.5/52/12, or whether they were to be submitted to the Assembly for a decision, showed that it was necessary for Member States to review the role of the Office in order to spell out what had not been stated clearly in resolution 48/218 B.

12. His delegation was concerned at the Office's misunderstanding of the discussions that had taken place between the Secretary-General on the one hand and the Special Committee on decolonization and the Fourth Committee on the other concerning the status of the Decolonization Unit as a result of which the Office had made a statement that was at variance with the principles which it had been established to uphold. OIOS had said, *inter alia*, that his delegation had adopted its position before the Fourth and Fifth Committees at the instigation of certain members of the Secretariat and in their interest. However, its position, which was consistent with the views of the Special Committee on decolonization and of the Fourth Committee, was based on principled directives and fully considered instructions. His delegation wished to place on record its categorical rejection of, and displeasure at, the interference of the Office in political matters that were not part of its mandate. The position taken by his delegation in the Fifth Committee was a long-standing one, and was held by all the developing countries and a significant number of developed countries, as well as being in conformity with the position adopted by the Special Committee on decolonization and the Fourth Committee.

13. His delegation requested the Office, on the basis of its commitment to the principle of geographical representation, to provide a list showing the nationalities of its Professional and General Service staff, together with their job descriptions, the number of gratis personnel and the work assigned to such personnel. He asked the Office to provide a response in writing to all the observations he had made so as to enable his Government to comment thereon.

14. **Mr. Darwish** (Egypt) said that his delegation supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China and was in favour of the monitoring and oversight role of the Office of Internal Oversight Services.

15. Paragraph 5 (a) of resolution 48/218 B provided that the Office should exercise operational independence under the authority of the Secretary-General. It referred to Article 97 of the Charter, which entitled him to take any measures he considered necessary to give effect to his responsibilities. The primary objective of the Office was to uncover financial and administrative irregularities so as to ensure the judicious utilization of the human and financial resources of the Organization. His delegation welcomed the fact that the efforts of the Office had resulted in a saving of $21.2 million of the Organization's assets during the period from June 1997 to June 1998.

16. In conclusion, he said that his delegation reaffirmed the importance of complying with the principle of equitable geographical distribution in the staffing of the Office and of greater coordination and cooperation between it and the Committee in accordance with the financial and administrative interests of the Organization.

17. **Mr. Mirmohammad** (Islamic Republic of Iran) said that his delegation supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China.

18. Resolution 48/218 B, had established the Office of Internal Oversight Services to assist the Secretary-General in fulfilling his internal oversight responsibilities in respect of the resources and staff of the Organization through the exercise of monitoring, internal audit, inspection and evaluation, and investigation (para. 5 (c)). In the course of the implementation of the resolution by the Secretary-General, a number of issues had arisen, the settlement of which would lead to a better understanding and more

effective interaction between the Secretary-General and the General Assembly.

19. As chief administrative officer of the Organization, the Secretary-General had certain prerogatives, and the prerogatives of the General Assembly were also clearly spelled out. The General Assembly supported the activities of the OIOS insofar as its activities were in accordance with the prerogatives of the Secretary-General in fulfilling his internal oversight responsibilities. If the recommendations of OIOS involved any changes in programmes they must be submitted to the General Assembly for decision prior to implementation. The practice of submitting OIOS reports to the General Assembly under cover of a brief note from the Secretary-General might therefore not fully reflect the latter's responsibility.

20. The budget and staffing of the Office also needed to be studied. His delegation had noted a progressive increase in the resources of the Office, even though the Office had a duty to act responsibly, to identify economies and to be a model in restricting its demand for resources. The staffing of the Office must respect the principle of equitable geographical representation, and particulars in that regard would be of interest to his delegation.

21. In conclusion, his delegation wished to emphasize the importance of coordination and cooperation between the Office of Internal Oversight Services and the external oversight mechanisms and looked forward to receiving further information on that subject.

Agenda item 112: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

Thematic reports of the Office of Internal Oversight Services (continued) (A/51/933; A/52/575, A/52/339 and Add.1, A/52/776, A/52/777, A/52/821, A/52/1010 and A/52/1020; A/53/467)

22. **The Chairman** invited the Under-Secretary-General for Internal Oversight Services to respond to questions raised during the general discussion.

23. **Mr. Paschke** (Under-Secretary-General for Internal Oversight Services), responding to delegations which had urged that OIOS should not go beyond its terms of reference, said he was quite confident that his Office had kept within its mandate. In instances in the past where it might have been the perception of delegations that the activities of the Office had overstepped its mandate, he felt that he had adequately clarified the position. There had never been any doubt in the past, nor would there be any doubt in the future, that it was the mandate of OIOS to provide internal oversight to the Organization and to do so under the authority of the Secretary-General.

24. Some criticism had touched on the resources of OIOS, in particular on increases in those resources during the past two bienniums. In that connection, he pointed out that, when OIOS had been established, the General Assembly had decided that it should be financed from existing resources (resolution 48/218 B, para. 8). That requirement had created difficulties and he recalled a number of discussions on the matter with members of the Committee, in the course of which he had received understanding and support for the modest increases in personnel that he had requested. A new Office with a new mandate could not be expected to predict reliably at the outset what resources it would ultimately need. He therefore hoped for the understanding of the Committee if, in the future, he found it necessary to request certain adjustments in the staffing of the Office. In that connection, it should be remembered that the resources available to the Office were being used to increase the efficiency and effectiveness with which resources were deployed throughout the Organization.

25. On the question of geographical balance, he expressed his confidence that the principle of geographical distribution in the recruitment of staff had been respected in the past, and he gave his assurance that it would continue to be respected in the future. Relevant information on that matter would be provided in the course of the review.

26. **Mr. Moktefi** (Algeria) said that his delegation supported the statement made by the representative of Indonesia on behalf of the Group 77 and China. He was willing to participate in the review of the functioning of the Office of Internal Oversight Services, in particular to look into the question whether resolution 48/218 B had been fully implemented. He recalled that the Group of 77 and China had requested a list of OIOS reports and said that his delegation would like the list to indicate the status of each of those reports.

27. The first of his questions for the Under-Secretary-General for Internal Oversight Services concerned the recommendations made by OIOS, which were endorsed by the Secretary-General and subsequently put into effect by programme managers. He asked what factors had enabled the Office to impose its authority and have its recommendations put into effect in so short a time despite the well-known reluctance of any bureaucracy to accept change.

28. OIOS had frequently sought the support of the General Assembly, and he asked whether such support had always

been forthcoming, and, if not, what were the reasons for its being withheld.

29. In conclusion, he asked whether it had been necessary to modify the original vision of OIOS in the light of experience.

30. **Mr. Elmontaser** (Libyan Arab Jamahiriya) said that his delegation supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China and considered that Member States were entitled to review the role of the Office of Internal Oversight Services periodically.

31. The Office should serve the interests of the Organization without engaging in monitoring activities of the Member States themselves. Staffing of the Office should reflect the principle of equitable geographical distribution, as stated by the Syrian delegation, and the use of gratis personnel should be avoided. The reports of the Office should not be biased or contain material that might be prejudicial to the Member States. The Office played an important role and should be provided with the financial resources it required to achieve its objectives.

32. **Mr. Al-Shammam** (Yemen) said that his delegation supported the statement made by the representative of Indonesia on behalf of the Group of 77 and China and hoped that the Under-Secretary-General for Internal Oversight Services would strengthen the role of OIOS in monitoring the financial and administrative resources of the Organization, would consider establishing rules to ensure the accountability of officials who did not carry out their duties properly or who enriched themselves either directly or indirectly, in particular through commercial contracts, or who employed their relatives rather than candidates who met the requirements of Article 101 of the Charter, or who were instrumental in causing the loss of the Organization's material or moral resources.

33. His delegation was in favour of establishing an independent court, separate from the Administrative Tribunal, whose judges would be appointed from outside the Organization. The court would consider complaints from Member States and would try both serving officials and those who had left the service.

The meeting rose at 11.15 a.m.